

**MINERAL DEED, ASSIGNMENT, BILL OF SALE AND  
CONVEYANCE REGARDING URANIUM MINERALS**

This Mineral Deed, Assignment, Bill of Sale and Conveyance Regarding Uranium Mineral ("Deed") is by Fernandez Company, Ltd., a New Mexico limited partnership ("Assignor"), and Lee Ranch Minerals I, L.L.C. ("Assignee").

**RECITALS**

A. Assignor is the owner of certain uranium mineral interests in, to and under the lands described at Exhibit A attached hereto ("Subject Lands").

B. Assignor desires to assign to Assignee certain of Assignor's uranium mineral interests in, to and under the Subject Lands, and Assignee desires to accept such Assignment, subject to the terms, conditions, limitations and reservations provided herein.

NOW, THEREFORE, in consideration of the mutual promises, Assignor hereby makes and delivers this Deed to Assignee, and Assignee accepts this Deed, subject to the following terms, conditions, limitations and reservations:

1. Definitions. The following defined terms, wherever used in this Deed, shall have the meanings described below:

a. "Assignor" means Fernandez Company, Ltd., a New Mexico limited partnership, and its successors and assigns.

b. "Assignee" means Lee Ranch Minerals I, L.L.C., a New Mexico limited liability company, and its successors and assigns.

c. "Deed" means this Mineral Deed, Assignment, Bill of Sale and Conveyance regarding Uranium Minerals.

d. "Effective Date" means January 1, 2007.

e. "Existing Contract Rights" means all of Assignor's right, title and interest in contracts, leases and agreements in effect as of the Effective Date and pertaining to Assignor's interest in Uranium Minerals under the Subject Lands, including any extension, renewals, amendments and/or modifications of such instruments, including specifically, but not by way of limitation, all of Assignor's right, title and interest in the following:

INSTRUMENT PREPARED BY, AND  
AFTER RECORDING RETURN TO:  
Cavin & Ingram, P.A.  
40 First Plaza, Suite 610  
Albuquerque, NM 87102  
Attn: Sealy H. Cavin, Jr.



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(i) Mineral Lease dated July 1, 1968, by and between Fernandez Company, a New Mexico corporation, as Lessor, and Keradamex, Inc., a California corporation, as Lessee, including any extensions, renewals, amendments to such Mineral Lease;

(ii) Lease Agreement dated January 1, 1976, by and between Fernandez Company, a limited partnership, as Lessor, and Gulf Oil Corporation, a Pennsylvania corporation, as Lessee, including any extensions, renewals, amendments and/or modifications, to such Lease Agreement; and

(iii) Agreement dated July 31, 1979, by and between Fernandez Company, Ltd., a New Mexico limited partnership, and Santa Fe Pacific Railroad Company, a corporation created by an Act of Congress dated March 3, 1897, including any extensions, renewals, amendments and/or modifications to such Agreement.

f. "Subject Interests" means the interests described at Section 2 of this Deed.

g. "Subject Lands" means the lands described at Exhibit A attached hereto.

h. "Uranium Minerals" means uranium-bearing ores, including, without limitation, autunite, brannerite, carnotite, pitchblende, torbernite, tyuyamunite, uraninite and uranophane.

2. Assignment, Transfer and Conveyance. Subject to the terms, conditions, limitations and reservations provided herein, Assignor hereby assigns, transfers and conveys unto Assignee the following:

a. All of Assignor's right, title and interest in any and all Uranium Minerals in, to and under the Subject Lands, including all royalties, overriding royalties, mineral interests or other exploration, development, production and processing rights, related to such Uranium Minerals;

b. All of Assignor's right, title and interest in any and all contracts, agreements, leases, licenses, permits, easements, and orders in any way related to Uranium Minerals in, to and under the Subject Lands, the operations conducted or to be conducted thereon, or the production, treatment, sale or disposal of Uranium Minerals, or water produced therefrom or attributable thereto;

c. All of Assignor's right, title and interest in any and all wells, personal property, fixtures, equipment, mine shafts and supplies located on the Subject Lands, or upon lands pooled or unitized therewith or used or attained in connection therewith or with the operation or maintenance thereof, or with the production, treatment, sale or disposal of Uranium Minerals, or water produced therefrom or attributable thereto; and

d. All of Assignor's right, title and interest in any and all other rights and other interests in, to or under, or derived from or appurtenant to Uranium Minerals under the Subject Lands.

The interests described hereinabove are collectively referred to herein as the "Subject Interests."

3. Retained Interest. Assignor specifically retains and reserves all of its right, title and interest in Existing Contract Rights, and in all rights not specifically covered by this Deed.

4. Broadly Construed. Subject to the retained interest described hereinabove at Section 3, it is the intention of Assignor and Assignee that this Deed shall be broadly construed to cover all of Assignor's right, title and interest in Uranium Minerals under the Subject Lands.

5. Further Assurances. The parties hereto agree to take any and all actions necessary and appropriate to effectuate and implement the transfer of the Subject Interests as contemplated by this Deed.

6. Subject To. This Deed is made subject to the Existing Contract Rights. Assignor shall have the right to extend, renew, amend and/or modify any and all contracts, leases and agreements in effect as of the Effective Date; provided, however, Assignor shall have no right to expand the acreage covered by such contacts, leases and/or agreements.

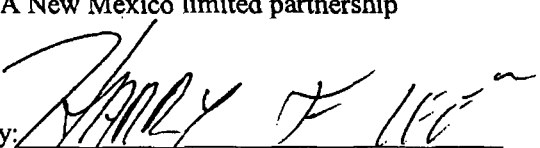
7. Warranties. This Deed is made without warranty of any kind, except that Assignor warrants title by, through and under Assignor, but not otherwise. This Deed is, however, made with full substitution and subrogation of Assignee in and to all warranties, representations and covenants previously given or made by others, if any, with respect to the Subject Interests.

8. Effective Date. This Deed is executed on the dates indicated hereinbelow in the acknowledgements, but shall be effective on the Effective Date.

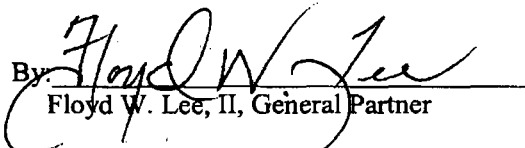
ASSIGNOR:

FERNANDEZ COMPANY, LTD.,  
A New Mexico limited partnership

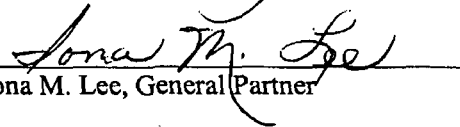
By:

  
Harry F. Lee, Jr., General Partner

By:

  
Floyd W. Lee, II, General Partner

By:

  
Iona M. Lee, General Partner

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ASSIGNEE:

LEE RANCH MINERALS I, L.L.C.  
a New Mexico limited liability company

By FERNANDEZ COMPANY, LTD.,  
a New Mexico limited partnership,  
Its Sole Member

By: [Signature]  
Harry F. Lee, Jr., General Partner

By: [Signature]  
Floyd W. Lee, II, General Partner

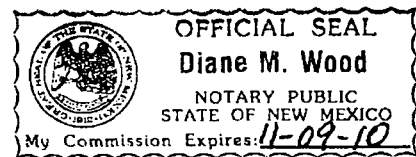
By: [Signature]  
Iona M. Lee, General Partner

STATE OF NEW MEXICO       )  
  ) ss.  
COUNTY OF CIBOLA        )

This instrument was acknowledged before me on Feb 5, 2007 by Harry F. Lee, Jr., Floyd W. Lee and Iona M. Lee, as General Partners of Fernandez Company, Ltd., a New Mexico limited partnership, on behalf of the partnership.


[Signature]  
Notary Public

My Commission Expires:  
11-09-10



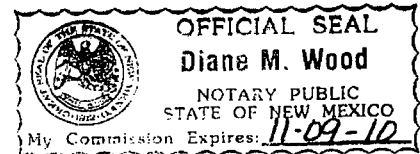
STATE OF NEW MEXICO       )  
  ) ss.  
COUNTY OF CIBOLA        )

This instrument was acknowledged before me on Feb 5<sup>th</sup>, 2007 by Harry F. Lee, Jr., Floyd W. Lee and Iona M. Lee, as General Partners of Fernandez Company, Ltd., a New Mexico limited partnership, as the sole member of Lee Ranch Minerals I, L.L.C., a New Mexico limited liability company, on behalf of the limited liability company.

  
Notary Public

My Commission Expires:

11-09-10



THIS EXHIBIT A IS ATTACHED TO AND MADE A PART OF MINERAL DEED, ASSIGNMENT, BILL OF SALE AND CONVEYANCE REGARDING URANIUM MINERALS DATED EFFECTIVE JANUARY 1, 2007 BY AND BETWEEN FERNANDEZ COMPANY, LTD. AND LEE RANCH MINERALS I, L.L.C.

**EXHIBIT A**

**SUBJECT LANDS**

**THE FOLLOWING LANDS IN CIBOLA AND MCKINLEY COUNTIES, NEW MEXICO:**

- 1) All that portion of the Cebolleta Land Grant set off and decreed to Alonzo B. McMillen and Joshua S. Reynolds in Cause No. 6113 in the District Court of Bernalillo County, New Mexico, wherein Roman L. Baca, et al, were plaintiffs and Santiago Anaya, et al were defendants, and being Tract No. 2 as shown in the map filed in said Cause. Said tract is located partly within the County of Cibola and partly within the County of McKinley in the State of New Mexico, and is more particularly described as follows, to-wit:

BEGINNING at the one-mile corner on the West boundary of the said Cebolleta Land Grant; thence East 869 chains and 32 links to the Southeast corner of said Tract 2, thence North 825 chains and 20 links to the North boundary of said Cebolleta Land Grant at a point 11 chains and 64 links west of the eight-mile corner of the survey of said Grant; thence West 228 chains and 36 links to the eleven-mile corner on the North boundary thereof; thence South 49 degrees 15 minutes West 103 chains to an angle point; thence 55 degrees 15 minutes West 297 chains to an angle point; thence South 29 degrees 15 minutes West 590 chains to an angle point; thence South 22 degrees 30 minutes West 80 chains to the place of beginning, and containing 51,116.18 acres, more or less (13,116.00 acres, more or less in Cibola County and 38,000.18 acres, more or less, in McKinley County).

- 2) San Mateo Springs Grant Tract No. 1 located partly within the county of Cibola and partly within the County of McKinley, New Mexico as shown and designated on the plat filed in Cause No. 1438 in the District Court of Valencia County, New Mexico, wherein Mariano Gonzales, et al, were plaintiffs and Luz Baca, et al, were defendants. Said tract is shown in said plat to contain 4,264.162 acres of land (4,000.00 acres, more or less in Cibola County and 264.162 acres, more or less in McKinley County).

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Exhibit A-1

Exhibit A MCKINLEY.doc - Last printed 1/10/2007 4:46 PM

**THE FOLLOWING LANDS IN MCKINLEY COUNTY, NEW MEXICO:**

- 1) Bartolome Fernandez Land Grant, Townships 13 and 14 North, Ranges 7 and 8 West, NMPM, containing 25,424.28 acres, according to the official plat thereof made from the survey of Norris T. Cavalier, U.S. Deputy Surveyor, August 28<sup>th</sup> to September 13<sup>th</sup>, 1895, and approved June 1, 1896, by the U.S. Surveyor General and on file In the Public Survey Office in Santa Fe, New Mexico.
- 2) Felipe Tafoya Land Grant, Townships 15 and 16 North, Ranges 6 and 7 West, NMPM, containing 4,340.23 acres according to the official plat thereof made from the Survey of George H. Pradt, U.S. Deputy Surveyor, August 4<sup>th</sup> to 6<sup>th</sup>, 1899, and approved August 23, 1900, by the U.S. Surveyor General, and on file in the Public Survey Office in Santa Fe, New Mexico.

- 3) Township 13 North, Range 7 West, NMPM  
Section 8: Lot 2

Township 13 North, Range 8 West, NMPM

Section 7: All  
Section 13: All  
Section 15: All  
Section 17: All  
Section 18: E/2

Township 14 North, Range 6 West, NMPM

Section 6: Lots 12, 13, 14, 15

Township 14 North, Range 7 West, NMPM

Section 1: All  
Section 3: Lots 1, 2, 3, 4  
Section 4: Lots 5, 6, 7, 8  
Section 5: Lots 1, 2, 3, 4  
Section 6: Lot 5

Township 14 North, Range 8 West, NMPM

Section 1: Lots 1, 2, 3, 4  
Section 3: All  
Section 4: All  
Section 5: All  
Section 10: All  
Section 11: All  
Section 14: All  
Section 15: E/2  
Section 22: NE/4  
Section 23: N/2




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Township 15 North, Range 6 West, NMPM

Section 5: Lots 1, 2, NW/4NW4  
Section 6: Lots 1, 2, 3, NE/4, NW/4SE/4, W/2  
Section 7: Lots 1, 2, 3, 4, NE/4NW/4, W/2NW/4

Township 15 North, Range 7 West, NMPM

Section 1: All  
Section 3: All  
Section 4: All  
Section 5: All  
Section 6: All  
Section 7: All  
Section 8: All  
Section 9: All  
Section 10: Lots 1, 2, 3, 4, 5, 7, 8, E/2W/2, E/2  
Section 11: All  
Section 12: All  
Section 13: Lots 1, 2, 3, 4, NW/4NE/4, NW/4, NW/4SW/4  
Section 14: All  
Section 15: All  
Section 17: All  
Section 18: All  
Section 19: All  
Section 20: All  
Section 21: All  
Section 22: All  
Section 23: Lots 1, 2, 3, NE/4NE/4, W/2NE/4, SW/4SE/4, SW/4, NW/4  
Section 24: Lots 1, 2  
Section 25: Lots 1, 2, 3, 4, SW/4NW/4, SE/4SE/4, W/2SE/4, SW/4  
Section 26: All  
Section 27: All  
Section 28: All  
Section 29: All  
Section 30: All  
Section 31: All  
Section 32: SW/4NE/4, NE/4NW/4, NW/4NE/4  
Section 33: All  
Section 34: All  
Section 35: All

  
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Township 15 North, Range 8 West, NMPM

Section 1: All  
Section 2: All Section 3: All  
Section 4: All  
Section 5: All  
Section 6: All  
Section 7: All  
Section 8: All  
Section 9: All  
Section 10: All  
Section 11: All  
Section 12: All  
Section 13: All  
Section 15: All  
Section 17: All  
Section 18: All  
Section 19: All  
Section 20: All  
Section 21: All  
Section 22: All  
Section 23: All  
Section 24: All  
Section 25: All  
Section 26: All  
Section 27: All  
Section 28: 4S/2N/2, S/2  
Section 29: All  
Section 30: All  
Section 31: All  
Section 32: All  
Section 33: All  
Section 34: N/2, SE/4  
Section 35: All

Township 15 North, Range 9 West, NMPM

Section 1: All  
Section 4: All  
Section 6: Lots 1, 2, 3, SE/4NW/4  
Section 7: All  
Section 9: All  
Section 10: NW/4  
Section 11: All  
Section 12: E/2  
Section 13: All  
Section 14: All  
Section 15: All

  
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Section 17: All  
Section 19: All  
Section 21: All  
Section 23: All  
Section 24: All  
Section 25: All  
Section 27: All  
Section 29: All  
Section 31: All  
Section 33: All  
Section 35: All

Township 16 North, Range 6 West, NMPM

Section 1: All  
Section 3: All  
Section 4: All  
Section 5: All  
Section 6: All  
Section 7: All  
Section 8: All  
Section 9: All  
Section 10: All  
Section 11: All  
Section 12: All  
Section 13: All  
Section 14: NE/4, N/2SE/4  
Section 15: All  
Section 17: All  
Section 18: All  
Section 19: All  
Section 20: All  
Section 21: All  
Section 22: W/2, NE/4, S/2SE/4  
Section 23: All  
Section 24: All  
Section 25: All  
Section 26: All  
Section 27: All  
Section 28: N/2, N/2SE/4  
Section 29: All  
Section 30: All  
Section 31: All

Township 16 North, Range 7 West, NMPM


Section 1: All  
Section 3: All

  
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Section 4: All  
 Section 5: All  
 Section 6: All  
 Section 7: All  
 Section 8: All  
 Section 9: All  
 Section 10: All  
 Section 11: All  
 Section 12: All  
 Section 13: All  
 Section 14: All  
 Section 15: All  
 Section 17: All  
 Section 18: All  
 Section 19: All  
 Section 20: All  
 Section 21: All  
 Section 22: All (less 1 acre deeded to McKinley County for school by 4 W.D., p. 222)  
 Section 23: All  
 Section 24: All  
 Section 25: All  
 Section 26: All  
 Section 27: All  
 Section 28: All  
 Section 29: All  
 Section 30: All  
 Section 31: All  
 Section 32: S/2NE/4, N/2SE/4  
 Section 33: All  
 Section 34: All  
 Section 35: All

Township 16 North, Range 8 West, NMPM

Section 1: All  
 Section 2: Lots 1, 3, 4, S/2NW/4, S/2  
 Section 3: All  
 Section 4: All  
 Section 5: All  
 Section 6: All  
 Section 7: All  
 Section 8: All  
 Section 9: All  
 Section 11: All  
 Section 12: All  
 Section 13: All  
 Section 14: All

  
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Section 15: All  
Section 17: All  
Section 18: All  
Section 19: All  
Section 20: All  
Section 21: All  
Section 22: All  
Section 23: All  
Section 24: SW/4, SW/4NW/4, W/2SE/4NW/4  
Section 25: All  
Section 26: All  
Section 27: All  
Section 28: All  
Section 29: All  
Section 30: All  
Section 31: All  
Section 33: All  
Section 34: All  
Section 35: All

Township 16 North, Range 9 West, NMPM

Section 1: All  
Section 2: Lots 3, 4, S/2NE/4, SW/4  
Section 3: All  
Section 4: All  
Section 5: All  
Section 6: All  
Section 7: All  
Section 8: All  
Section 9: All  
Section 11: All  
Section 12: All  
Section 13: All  
Section 15: All  
Section 17: All  
Section 18: All  
Section 19: All  
Section 20: All  
Section 21: All  
Section 22: All  
Section 23: All  
Section 24: All  
Section 25: All  
Section 26: All  
Section 27: All  
Section 28: All


  
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Exhibit A-7


Section 29: All  
Section 30: All  
Section 31: All  
Section 33: All  
Section 34: All  
Section 35: All

Township 17 North, Range 6 West, NMPM

Section 1: All  
Section 3: All  
Section 4: All  
Section 5: All  
Section 6: All  
Section 7: All

Township 17 North, Range 7 West, NMPM

Section 1: All  
Section 3: All  
Section 4: All  
Section 5: All  
Section 6: All  
Section 7: All  
Section 8: All  
Section 9: All  
Section 10: All  
Section 11: All  
Section 12: All  
Section 13: All  
Section 14: All  
Section 15: All  
Section 17: All  
Section 18: All  
Section 19: All  
Section 20: All  
Section 21: All  
Section 22: All  
Section 23: All  
Section 24: All  
Section 25: All  
Section 26: N/2NE/4, SW/4NE/4, NW/4, S/2  
Section 27: All  
Section 28: All  
Section 29: All  
Section 30: All  
Section 31: All  
Section 33: All

  
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Section 34: All  
Section 35: All

Township 17 North Range 8 West, NMPM

Section 1: All  
Section 2: All  
Section 3: All  
Section 4: All  
Section 5: All  
Section 7: All  
Section 9: All  
Section 10: All  
Section 11: All  
Section 12: All  
Section 13: All  
Section 14: All  
Section 15: All  
Section 21: All  
Section 22: All  
Section 23: All  
Section 24: All  
Section 25: All  
Section 26: All  
Section 27: All  
Section 28: All  
Section 33: All  
Section 34: All  
Section 35: All

Township 18 North Range 6 West, NMPM

Section 27: All  
Section 28: All  
Section 29: All  
Section 30: All  
Section 31: All  
Section 32: All  
Section 33: All  
Section 34: All  
Section 35: All  
Section 36: N/2, SW/4



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